

228563

STATE OF SOUTH CAROLINA

(Caption of Case)

Application of Palmetto Utilities, Inc. for adjustment of rates and charges for, and modification to certain terms and conditions related to the provisions of sewer service.

BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

COVER SHEET

DOCKET  
NUMBER: 2011 - 24 - S

(Please type or print)

Submitted by: John M. S. Hoefer, Esquire

SC Bar Number: 2549

Address: Post Office Box 8416

Telephone: 803-252-3300

Columbia, SC 29202

Fax: 803-771-2410

Other:

Email: jhoefer@willoughbyhoefer.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition

☐ Request for item to be placed on Commission's Agenda expeditiously

☒ Other:

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)			
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request	
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification	
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation	
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement	
<input type="checkbox"/> Electric/Water/Telecom.	<input checked="" type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment	
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter	
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response	
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery	
<input checked="" type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition	
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation	
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena	
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff	
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:	
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest		
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit		
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report		

Print Form

Reset Form

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MAR 15 2011  
CLEAN

**WILLOUGHBY & HOEFER, P.A.**

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930 RICHLAND STREET  
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CHAD N. JOHNSTON

AREA CODE 803  
TELEPHONE 252-3300  
TELECOPIER 256-8062

TRACEY C. GREEN  
SPECIAL COUNSEL

\*ALSO ADMITTED IN TX

March 15, 2011

**VIA HAND-DELIVERY**

The Honorable Jocelyn D. Boyd  
Chief Clerk/Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive  
Columbia, South Carolina 29211

RE: Application of Palmetto Utilities, Inc. for adjustment of rates and charges for, and modification to certain terms and conditions related to, the provision of sewer service. Docket No. 2011-24-S

Dear Ms. Boyd:

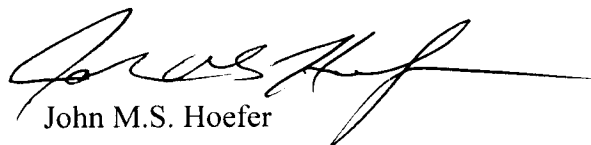
Enclosed for filing are the original and one (1) copy of the Application of Palmetto Utilities, Inc. in the above-referenced matter. Also enclosed you will find the Applicant's proposed notice of filing.

By copy of this letter, we are providing a copy of this filing to the Executive Director of ORS in accordance with 26 S.C. Code Regs. 103-504. I would appreciate your acknowledging receipt of this Application and Certificate by date-stamping the extra copy that is enclosed and returning it to me via my courier.

If you have any questions or if you need any additional information, please do not hesitate to contact me. With best regards, I am

Sincerely,

**WILLOUGHBY & HOEFER, P.A.**



John M.S. Hoefer

JMSH/ccm

Enclosures

cc: Honorable C. Dukes Scott

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**  
**DOCKET NO. 2011-24-S**

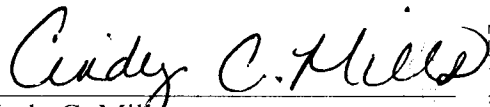
IN RE:

Application of Palmetto Utilities, Inc.       )  
for adjustment of rates and charges       )  
for, and modification to certain terms       )  
and conditions related to,                       )  
the provisions of sewer service.               )  
\_\_\_\_\_)

**CERTIFICATE OF SERVICE**

This is to certify that I have caused to be served this day one (1) copy of the **Application and Proposed Notice of Filing** by placing same in the care and custody of the United States Postal Service with first class postage affixed thereto and addressed as follows:

Honorable C. Dukes Scott  
**Office of Regulatory Staff**  
1401 Main Street, Suite 900  
Columbia, South Carolina 29201

  
\_\_\_\_\_  
Cindy C. Mills

Columbia, South Carolina  
This 15<sup>th</sup> day of March, 2011.

RECEIVED  
MARCH 16 2011  
PUBLIC SERVICE  
COMMISSION

**BEFORE THE  
PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA**

**DOCKET NO. 2011-24 -S**

IN RE:	)	
	)	
Application of Palmetto Utilities, Inc.	)	
for adjustment of rates and charges	)	<b>APPLICATION</b>
for, and modification to certain terms	)	
and conditions related to,	)	
the provision of sewer service.	)	
_____	)	

Palmetto Utilities, Inc. ("Applicant" or "Company") would respectfully show unto, and request of, the Commission as follows:

**BACKGROUND**

1. Applicant is a corporation organized and existing under the laws of the State of South Carolina.

2. Applicant is a public utility, as defined by S.C. Code Ann. § 58-5-10(4) (Supp. 2010), providing sewer services to the public for compensation in certain areas of Richland and Kershaw Counties, South Carolina pursuant to rates approved by the Commission in Order No. 2001-1119, dated December 14, 2001, in Docket No. 1998-653-S.

3. All communications or inquiries regarding this Application should be directed as set forth below:

a. **Applicant's Representative:**

Mr. R. Stanley Jones, P.E.  
Palmetto Utilities, Inc.  
1710 Woodcreek Farms Road  
Elgin, South Carolina 29045

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JAN 11 2012  
PUBLIC SERVICE COMMISSION  
COLUMBIA, SOUTH CAROLINA

b. **Legal Counsel:**

John M. S. Hoefer, Esquire  
Benjamin P. Mustian, Esquire  
Willoughby & Hoefer, P.A.  
Post Office Box 8416  
Columbia, South Carolina 29202-8416  
(803) 252-3300

**REQUEST FOR RATE RELIEF**

4. Pursuant to S.C. Code Ann. § 58-5-240 (Supp. 2010) and 26 S.C. Code Ann. Regs. R. 103-512.4.A (Supp. 2010) Applicant requests that the Commission approve the monthly sewer service charges set forth in the four (4) page rate schedule attached hereto and incorporated herein by this reference as Exhibit "A." Also, pursuant to R. 103-503 (Supp. 2010), Applicant proposes a modification to the terms and conditions of service related to billing to multi-dwelling buildings consisting of four or more units to reflect Applicant's discretion to offer tenant billing as permitted under current statutory provisions. See S.C. Code Ann. § 27-33-50. The rate schedule also reflects a proposed amendment regarding charges for reconnection of service when disconnection has been made by the use of an elder valve or similar device so as to comport with R. 103-532.4 (Supp. 2010). Finally, Applicant proposes to modify the definition of Single Family Equivalent to comport with the current S.C. Code Ann. Regs. R. 61-67, Appendix A, as same may be amended in the future.

**SUPPORTING DOCUMENTATION**

5. Applicant proposes a test year of May 1, 2009 to April 30, 2010, and has prepared certain financial statements relating to that time period in support of the Application, which statements are attached hereto and incorporated herein by this reference as Exhibit "B," pages 1

through 14. These financial statements include the following:

- a. Balance Sheet (Schedule A); and
- b. Current and pro forma income and expense statements (Schedule B);
- c. Schedule of billed revenue at current and proposed rates (Schedule C);
- d. Schedule of fixed assets and depreciation (Schedule D), and
- e. Schedule of present and projected customers (Schedule E).

6. Attached hereto and incorporated herein by this reference as Exhibit "C" is the most recent approval letter from the South Carolina Department of Health and Environmental Control ("DHEC").

7. Attached hereto and incorporated herein by this reference as Exhibit "D" is the Company's current customer bill form.

8. There is on file with this Commission a performance bond given to satisfy the requirements of S.C. Code Ann. § 58-5-720 (Supp. 2010).

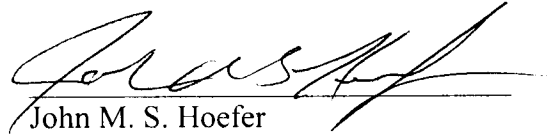
9. A map depicting Applicant's current service area and its most recent Annual Report are on file with the Commission. Evidence of the Applicant's last period paid Gross Receipts report is attached hereto and incorporated herein by reference as Exhibit "E".

10. The financial statements, the other documents submitted herewith, and the references to documents on file with the Commission are offered to comply with Commission Rules R. 103-512.4.A and to provide information useful to the Commission in considering the reasonableness of the proposed rate schedule.

## **NEED AND JUSTIFICATION FOR RATE RELIEF**

11. It has been twelve (12) years since Applicant last sought rate relief from this Commission. Through a combination of growth in its customer base and prudent management, the Company has been able to continue providing high quality service without the need for rate relief during that period. However, as economic conditions have devolved, Applicant is not able to rely on customer growth and management techniques alone to generate revenues sufficient to provide it with an opportunity to earn a reasonable return on its investment and cover its costs of operation. Applicant has attempted to make its customers aware of the need for rate relief in four (4) separate "town hall" meetings sponsored by the Company at various locations in its service area during the course of 2010. Applicant submits that the proposed rate increase is necessary in order that it may provide reasonable and adequate service to its customers, cover its expenses, be permitted an opportunity to earn a reasonable return on its investment, and attract capital for future improvements. Said rates are also necessary in order that the Applicant may comply with standards and regulations set by the South Carolina Department of Health and Environmental Control or other environmental regulatory authorities. Said rates will preserve the financial integrity of the Applicant, promote continued investment in and maintenance of its facilities, and thereby permit Applicant to continue providing reliable and high quality sewer services.

**WHEREFORE**, having fully set forth its Application, Palmetto Utilities, Inc. prays that the Commission approve the rates proposed and grant to Applicant such other and further relief as the Commission may deem just and proper.



John M. S. Hoefer

Benjamin P. Mustian

**WILLOUGHBY & HOEFER, P.A.**

Post Office Box 8416

Columbia, South Carolina 29202-8416

803-252-3300

Attorneys for Palmetto Utilities, Inc.

This 15<sup>th</sup> day of March, 2011.  
Columbia, South Carolina



PALMETTO UTILITIES, INC.  
ONE SMALLWOOD CIRCLE  
COLUMBIA, SC 29223  
(803) 699-2422

## **SEWER RATE SCHEDULE**

### **1. MONTHLY CHARGE**

- a. Residential - Monthly charge per  
single-family house, condominium,  
villa or apartment unit \$38.50
- b. Commercial - Monthly charge per  
single-family equivalent \$ 38.50
- c. The monthly charges listed above are minimum charges and shall apply even if  
the equivalency rating is less than one (1). If the equivalency rating is greater  
than one (1), then the monthly charges may be calculated by multiplying the  
equivalency rating by the monthly charge of \$38.50

Commercial customers are those not included in the residential category above and  
include, but are not limited to, hotels, stores, restaurants, offices, industry, etc.

The Utility may, for the convenience of the owner, bill a tenant in a multi-unit building,  
consisting of four or more residential units which is served by a master sewer meter or a  
single sewer connection. However, in such cases all arrearages must be satisfied before  
service will be provided to a new tenant or before interrupted service will be restored.  
Failure of an owner to pay for services rendered to a tenant in these circumstances may  
result in service interruptions.

### **2. NONRECURRING CHARGES**

- a. Sewer service connection charge per  
single-family equivalent \$250.00
- b. Plant Impact fee per single-family  
equivalent \$800.00

- c. The nonrecurring charges listed above are minimum charges and apply even if the equivalency rating is less than one (1). If the equivalency rating is greater than one (1), then the proper charge may be obtained by multiplying the equivalency rating by the appropriate fee. These charges apply and are due at the time new service is applied for, or at the time connection to the sewer system is requested.

3. **BULK TREATMENT SERVICES**

The utility will provide bulk treatment services to Richland County ("County") upon request by the County. The rates for such bulk treatment services shall be as set forth above for both monthly charges and nonrecurring charges per single-family equivalent. The County shall certify to the Utility the number of units or taps (residential and commercial) which discharge wastewater into the County's collection system and shall provide all other information required by the Utility in order that the Utility may accurately determine the proper charges to be made to the County. The County shall insure that all commercial customers comply with the Utility's toxic and pretreatment effluent guidelines and refrain from discharging any toxic or hazardous materials or substances into the collection system. The County will maintain the authority to interrupt service immediately where customers violate the Utility's toxic or pretreatment effluent standards of discharge prohibited wastes into the sewer system. The Utility shall have the unfettered right to interrupt bulk service to the County if it determines that forbidden wastes are being or are about to be discharged into the Utility's sewer system.

The County shall pay for all costs of connecting its collection lines into the Utility's mains, installing a meter of quality acceptable to the Utility to measure flows, and constructing a sampling station according to the Utility's construction requirements.

4. **NOTIFICATION, ACCOUNT SET-UP AND RECONNECTION CHARGES**

- a. Notification Fee: A fee of \$25.00 shall be charged each customer to whom the Utility mails the notice as required by Commission Rule R.103-535.1 prior to service being discontinued. This fee assesses a portion of the clerical and mailing costs of such notices to the customers creating that cost.
- b. Customer Account Charge: A fee of \$20.00 shall be charged as a one-time fee to defray the costs of initiating service.
- c. Reconnection charges: In addition to any other charges that may be due, a reconnection fee of \$250.00 shall be due prior to the Utility reconnecting service which has been disconnected for any reason set forth in Commission Rule R.103-532.4. Where an elder valve has been previously installed, a reconnection charge of thirty-five dollars (\$35.00) shall be due. The amount of the reconnection fee

shall be in accordance with R.103-532.4 and shall be changed to conform with said rule as the rule is amended from time to time.

5. **BILLING CYCLE**

Recurring charges will be billed monthly in arrears. Nonrecurring charges will be billed and collected in advance of service being provided.

6. **LATE PAYMENT CHARGES**

Any balance unpaid within twenty-five (25) days of the billing date shall be assessed a late payment charge of one and one-half (1½%) percent.

7. **TOXIC AND PRETREATMENT EFFLUENT GUIDELINES**

The Utility will not accept or treat any substance or material that has been defined by the United States Environmental Protection Agency ("EPA") or the South Carolina Department of Health and Environmental Control ("DHEC") as a toxic pollutant, hazardous waste, or hazardous substance, including pollutants falling within the provisions of 40 CFR §§ 129.4 and 401.15. Additionally, pollutants or pollutant properties subject to 40 CFR §§ 403.5 and 403.6 are to be processed according to the pretreatment standards applicable to such pollutants or pollutant properties, and such standards constitute the Utility's minimum pretreatment standards. Any person or entity introducing any such prohibited or untreated materials into the Company's sewer system may have service interrupted without notice until such discharges cease, and shall be liable to the Utility for all damages and costs, including reasonable attorney's fees, incurred by the Utility as a result thereof.

8. **CONSTRUCTION STANDARDS**

The Utility requires all construction to be performed in accordance with generally accepted engineering standards, at a minimum. The Utility from time to time may require that more stringent construction standards be followed in constructing parts of the system.

9. **EXTENSION OF UTILITY SERVICE LINES AND MAINS**

The Utility shall have no obligation at its expense to extend its utility service lines or mains in order to permit any customer to discharge acceptable wastewater into its sewer system. However, anyone or any entity which is willing to pay all costs associated with extending an appropriately sized and constructed main or utility service line from his/her/its premises to an appropriate connection point on the Utility's sewer system may receive service, subject to paying the appropriate fees and charges set forth in this rate

schedule, complying with the guidelines and standards hereof, and, where appropriate, agreeing to pay an acceptable amount for multi-tap capacity.

10. **CONTRACTS FOR MULTI-TAP CAPACITY**

The Utility shall have no obligation to modify or expand its plant, other facilities or mains to treat the sewerage of any person or entity requesting multi-taps (a commitment for five or more taps) unless such person or entity first agrees to pay an acceptable amount to the Utility to defray all or a portion of the Utility's costs to make modifications or expansions thereto.

11. **SINGLE FAMILY EQUIVALENT**

A Single Family Equivalent (SFE) shall be determined by using the South Carolina Department of Environmental Control Guidelines for Unit Contributory Loading for Domestic Wastewater Treatment Facilities --25 S.C. Code Ann. Regs. 61-67 Appendix A (Supp. 2010), as may be amended from time to time. Where the Utility has reason to suspect that a person or entity is exceeding design loadings established by the Guidelines for Unit Contributory Loadings for Domestic Wastewater Treatment Facilities, the Utility shall have the right to request and receive water usage records from the provider of water to such person or entity. Also, the Utility shall have the right to conduct an "on premises" inspection of the customer's premises. If it is determined that actual flows or loadings are greater than the design flows or loadings, then the Utility shall recalculate the customer's equivalency rating based on actual flows or loadings and thereafter bill for its services in accordance with such recalculated loadings.

Palmetto Utilities, Inc  
Balance Sheet  
for the Year Ended April 30, 2010

Schedule A  
Page 1 of 2

Line No.	<u>NARUC Account Number and Title</u> (1)	<u>Current Year-End Balance</u> (2)
1	<b>ASSETS</b>	
2		
3	<b>UTILITY PLANT</b>	
4	101 Utility Plant-in-Service	\$ 58,482,389
5	103 Property Held for Future Use	612,832
6	<b>Total Utility Plant</b>	<u>59,095,222</u>
7		
8	<b>ACCUMULATED DEPRECIATION</b>	
9	108.1 Utility Plant-in-Service	(14,278,165)
10	108.3 Property Held for Future Use	(26,215)
11	<b>Total Accumulated Depreciation</b>	<u>(14,304,380)</u>
12	<b>TOTAL NET UTILITY PLANT</b>	<u>44,790,841</u>
13		
14	<b>OTHER PROPERTY AND INVESTMENTS</b>	
15		
16	<b>OTHER PROPERTY</b>	
17	121 Non-Utility Property	710,221
18	122 Accumulated Depr. and Amort. of Non-Utility Property	(38,607)
19	<b>Total Other Property</b>	<u>671,614</u>
20		
21	<b>INVESTMENTS</b>	
22	123 Investments in Associated Companies	9,178,630
23	<b>Total Investments</b>	<u>9,178,630</u>
24	<b>TOTAL OTHER PROP. AND INVESTMENTS</b>	<u>9,850,243</u>
25		
26	<b>CURRENT AND ACCRUED ASSETS</b>	
27	131.2 Cash in Bank	615,332
28	135 Temporary Cash Investments	371,149
29	141 Customer Accounts Receivable	740,770
30	142 Other Accounts Receivable	251,703
31	143 Accumulated Provision for Uncollectible Accounts-Credit	(115,592)
32	145 Accounts Receivable from Associated Companies	1,089,287
33	162 Prepayments	47,379
34	171 Accrued Interest and Dividends Receivable	2,930
35	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<u>3,002,958</u>
36		
37	<b>DEFERRED DEBITS</b>	
38	181 Unamortized Debt Discount and Expense	261,396
39	186.2 Other Deferred Debits	25,360
40	190.1 Accumulated Deferred Federal Income Taxes	141,325
41	<b>TOTAL DEFERRED DEBITS</b>	<u>428,081</u>
42		
43	<b>TOTAL ASSETS</b>	<u>\$ 58,072,123</u>

Palmetto Utilities, Inc  
Balance Sheet  
for the Year Ended April 30, 2010

Schedule A  
Page 2 of 2

Line No.	<u>NARUC Account Number and Title</u> (1)	<u>Current Year-End Balance</u> (2)
1	<b>EQUITY CAPITAL AND LIABILITIES</b>	
2		
3	<b>EQUITY CAPITAL</b>	
4	201 Common Stock Issued	\$ 1,000
5	211 Other Paid-In Capital	3,190,612
6	215 Unappropriated Retained Earnings	4,701,540
7	<b>TOTAL EQUITY CAPITAL</b>	<u>7,893,152</u>
8		
9	<b>LONG-TERM DEBT</b>	
10	224 Other Long-Term Debt	<u>10,693,750</u>
11	<b>TOTAL LONG-TERM DEBT</b>	<u>10,693,750</u>
12		
13	<b>CURRENT AND ACCRUED LIABILITIES</b>	
14	231 Accounts Payable	296,183
15	232 Notes Payable	130,000
16	233 Accounts Payable to Associated Companies	923,252
17	236.12 Accrued Taxes, Utility Operating Income, Income Taxes	737,734
18	237.1 Accrued Interest on Long-Term Debt	39,774
19	241 Miscellaneous Current and Accrued Liabilities	458,015
20	<b>TOTAL CURRENT AND ACCRUED LIABILITIES</b>	<u>2,584,957</u>
21		
22	<b>DEFERRED CREDITS</b>	
23	253.2 Other Deferred Credits, Other Deferred Liabilities	<u>293,720</u>
24	<b>TOTAL DEFERRED CREDITS</b>	<u>293,720</u>
25		
26	<b>CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)</b>	
27	271 Contributions in Aid of Construction	45,811,702
28	272 Accumulated Amortization of CIAC	(10,013,622)
29	<b>TOTAL NET CIAC</b>	<u>35,798,080</u>
30		
31	<b>ACCUMULATED DEFERRED INCOME TAXES</b>	
32	282 Liberalized Depreciation	<u>808,464</u>
33	<b>TOTAL ACCUM. DEFERRED INCOME TAXES</b>	<u>808,464</u>
34		
35	<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>	<u>\$ 58,072,123</u>

Palmetto Utilities, Inc  
Income Statement  
for the Year Ended April 30, 2010

Schedule B  
Page 1 of 4

Line No.	NARUC Account Number and Title (1)	Per Books (2)	Pro-forma Adjustments (3)	Pro-forma Present (4)	Proposed Increase (5)	Pro-forma Proposed (6)
1	UTILITY OPERATING INCOME					
2	WASTEWATER SALES REVENUE					
3	521 Service Revenues - General Customers					
4	521.1 & 521.5 Residential (including Multiple Family Dwellings)	\$ 4,294,516	\$ (601)	\$ 4,293,915	\$ 1,310,006	13 \$ 5,603,921
5	521.2, 521.3 Commercial and Industrial	1,094,969	49	1,095,018	334,068	13 1,429,086
6	Billing Adjustments	11,482	-	11,482	-	11,482
7	Total Service Revenues	5,400,967	(552)	5,388,933	1,644,074	7,033,007
8	TOTAL WASTEWATER SALES REVENUE	5,400,967	(552)	5,400,415	1,644,074	7,044,489
9						
10	OTHER WASTEWATER REVENUES					
11	536 Other Wastewater Revenues					
12	Late Fees	49,672	(9)	49,663	-	49,663
13	Notification Fees	89,925	-	89,925	-	89,925
14	Customer Account Charge	18,540	-	18,540	-	18,540
15	Reconnect Fees	26,145	-	26,145	-	26,145
16	Returned Check Fees	4,371	-	4,371	-	4,371
17	Tap Fees (non-CIAC portion)	99,243	-	99,243	-	99,243
18	TOTAL OTHER WASTEWATER REVENUES	287,896	(9)	287,887	-	287,887
19	TOTAL UTILITY OPERATING INCOME	5,688,863	(561)	5,688,302	1,644,074	7,332,376
20						
21	UTILITY OPERATING EXPENSES					
22	PUMPING EXPENSES					
23	715 Purchased Power	641,148	45,202	686,350	-	686,350
24	736 Contractual Services - Other	407,063	243,157	650,220	-	650,220
25	736.1 Contractual Services - Other - ROW Program	-	241,211	241,211	-	241,211
26	TOTAL PUMPING EXPENSES	1,048,210	529,570	1,577,781	-	1,577,781
27						
28	TREATMENT AND DISPOSAL EXPENSES					
29	701 Salaries and Wages - Employees	136,014	(136,014)	-	-	-
30	704 Employee Pensions and Benefits	334	(334)	-	-	-
31	711 Sludge Removal Expense	211,905	18,344	230,249	-	230,249
32	718 Chemicals	71,465	-	71,465	-	71,465
33	734 Contractual Services - Management Fees	170,000	194,737	364,737	-	364,737
34	735 Contractual Services - Testing	14,624	-	14,624	-	14,624
35	736 Contractual Services - Other	77,720	-	77,720	-	77,720

Palmetto Utilities, Inc  
Income Statement  
for the Year Ended April 30, 2010

Schedule B  
Page 2 of 4

Line No.	NARUC Account Number and Title (1)	Per Books (2)	Pro-forma Adjustments (3)	Pro-forma Present (4)	Proposed Increase (5)	Pro-forma Proposed (6)
1	UTILITY OPERATING EXPENSES					
2	TREATMENT AND DISPOSAL EXPENSES					
3	742 Rental of Equipment	22,347	-	22,347	-	22,347
4	750 Transportation Expenses	39,864	(39,864)	-	-	-
5	775 Miscellaneous Expenses	12,324	-	12,324	-	12,324
6	TOTAL TREATMENT AND DISPOSAL EXPENSES	756,597	36,870	793,466	-	793,466
7						
8	CUSTOMER ACCOUNTS EXPENSES					
9	Materials and Supplies	32,153	-	32,153	-	32,153
10	734 Contractual Services - Management Fees	115,667	298,333	414,000	-	414,000
11	770 Bad Debt Expense	14,672	-	14,672	-	14,672
12	775 Miscellaneous Expenses	56,715	-	56,715	-	56,715
13	TOTAL CUSTOMER ACCOUNTS EXPENSES	219,207	298,333	517,540	-	517,540
14						
15	ADMINISTRATIVE AND GENERAL EXPENSES					
16	701 Salaries and Wages - Employees	\$ 123,079	\$ (56,129)	\$ 66,950	\$ -	\$ 66,950
17	703 Salaries and Wages-Officers, Directors and Majority Stockholders	174,446	(64,948)	109,498	-	109,498
18	704 Employee Pension and Benefits	92,636	(82,582)	10,054	-	10,054
19	715 Purchased Power	4,590	-	4,590	-	4,590
20	Materials and Supplies	767	-	767	-	767
21	731 Contractual Services - Engineering	31,092	-	31,092	-	31,092
22	732 Contractual Services - Accounting	68,556	41,667	110,222	-	110,222
23	733 Contractual Services - Legal	68,221	273,364	341,585	-	341,585
24	741 Rental of Building/Real Property	51,475	-	51,475	-	51,475
25	756 Insurance - Vehicle	14,960	(14,960)	-	-	-
26	757 Insurance - General Liability	25,110	-	25,110	-	25,110
27	758 Insurance - Workman's Compensation	5,742	-	5,742	-	5,742
28	759 Insurance - Other	23,875	-	23,875	-	23,875
29	Miscellaneous Expenses (includes corporate overhead)	795,440	(28,103)	767,337	-	767,337
30	TOTAL ADMINISTRATIVE AND GENERAL EXP.	1,479,989	68,308	1,548,297	-	1,548,297
31						
32	401 TOTAL OPERATING EXPENSES	3,504,003	933,081	4,437,084	-	4,437,084
33						
34	DEPRECIATION AND AMORTIZATION					
35	403 Depreciation Expenses	2,042,915	20,743	2,063,658	-	2,063,658
36	407.5 Amortization of Regulatory Liabilities (CIAC)	(1,505,569)	(27,185)	(1,532,754)	-	(1,532,754)
37	TOTAL DEPRECIATION AND AMORTIZATION	537,346	(6,442)	530,905	-	530,905



Palmetto Utilities, Inc  
Income Statement  
for the Year Ended April 30, 2010

Schedule B  
Page 3 of 4

Line No.	NARUC Account Number and Title (1)	Per Books (2)	Pro-forma Adjustments (3)	Pro-forma Present (4)	Proposed Increase (5)	Pro-forma Proposed (6)
1	TAXES OTHER THAN INCOME TAXES					
2	Utility Regulatory Assessment Fees	34,751	-	34,751	-	34,751
3	Property Taxes	284,317	-	284,317	-	284,317
4	Payroll Taxes	29,504	(5,061)	24,443	-	24,443
5	Other Taxes and Licenses	40,917	-	40,917	-	40,917
6	TOTAL TAXES OTHER THAN INCOME TAXES	389,489	(5,061)	384,428	-	384,428
7						
8	INCOME TAXES					
9	Federal Income Taxes, Utility Operating Income	86,304	(69,468)	16,836	531,036	15 547,872
10	State Income Taxes, Utility Operating Income	21,990	(10,113)	11,877	82,204	15 94,081
11	Deferred Federal Income Taxes	204,349	-	204,349	-	204,349
12	TOTAL INCOME TAXES	312,643	(79,581)	233,062	613,240	846,301
13						
14	TOTAL UTILITY OPERATING EXPENSES	4,743,481	841,998	5,585,479	613,240	6,198,718
15						
16	TOTAL NET UTILITY OPERATING INCOME (LOSS)	945,382	(842,559)	102,823	1,030,834	1,133,658
17						
18	OTHER OPERATING INCOME (LOSS)					
19	Gains (Losses) from Disposition of Utility Property	175,144	(175,144)	-	-	-
20	TOTAL OTHER OPERATING INCOME (LOSS)	175,144	(175,144)	-	-	-
21						
22	OTHER INCOME AND DEDUCTIONS					
23	Interest and Dividend Income	\$ 152,707	\$ (152,707)	\$ -	\$ -	\$ -
24	Non-Utility Income	106,659	(106,659)	-	-	-
25						
26	Miscellaneous Non-Utility Expenses	(1,022,703)	1,022,703	-	-	-
27						
28	TOTAL OTHER INCOME AND DEDUCTIONS	(763,337)	763,337	-	-	-
29						
30	INTEREST EXPENSE					
31	Interest on Long-Term Debt	212,789	-	212,789	-	212,789
32	Amortization of Debt Discount and Expense	17,243	-	17,243	-	17,243
33	TOTAL INTEREST EXPENSE	230,032	-	230,032	-	230,032
34						
35	NET INCOME (LOSS) FOR MARGIN	\$ 127,157	\$ (254,366)	\$ (127,209)	\$ 1,030,834	\$ 903,626

Palmetto Utilities, Inc  
Income Statement  
for the Year Ended April 30, 2010

Line	No.	
1		<u>Adjustments:</u>
2		
3		1 - To reflect changes in operations and management structure.
4		2 - To reflect a \$45,202 estimated increase in purchased power costs.
5		3 - To reflect an \$18,344 increase in sludge removal contract costs.
6		4 - To add \$241,211 related to institution or ROW clearing program and associated enhancements to manhole maintenance and line televising.
7		5 - To transfer \$231,697 of utility related legal expense from non-utility to utility.
8		6 - To remove a \$175,144 non-recurring gain on the sale of property from the test year.
9		7 - To remove \$556,465 of non-utility income and expense from the test year.
10		8 - To include \$45,568 of depreciation expense related to additions placed in service after the test year.
11		9 - To transfer \$24,825 of depreciation expense related to non-utility property from account 403 to account 426.
12		10 - To reduce revenue by \$561 due to an error booked in January 2010.
13		11 - Increase of \$554 to reflect Stan Jones' actual annual salary of 175,000 per year
14		12 - To reduce expenses by \$130,568 for amounts capitalized related to Stan Jones' salary. Andy Thomas' salary and UGSC fees.
15		13 - To reflect rate increase.
16		14 - To add rate case expense of \$85,024 to test year expense. Total rate case expense is estimated to be \$255,071 and is amortized over 3 years.
17		15 - To add income tax effects of other adjustments.

Palmetto Utilities, Inc

Schedule C  
Page 1 of 1

Billed Revenue at Present and Proposed Rates

Line No.	Customer Class (1)	SFEs (#) (2)	Monthly Rate (\$/Mo.) (3)	Revenue (\$) * (4)
1	<b>Billed Revenue at Present Rates</b>			
2				
3	<b>Calculated Service Revenue</b>			
4	Residential	125,978	29.50	3,716,359
5	Residential - Blythewood	1,126	30.39	34,221
6	Residential - Multi Family	18,418	29.50	543,332
7	Commercial and Industrial	33,558	29.50	989,962
8	Commercial and Industrial - Blythewood	3,457	30.39	105,055
9	<b>Total Calculated Service Revenue</b>			5,388,929
10				
11	<b>Actual Service Revenue</b>			5,388,933
12				
13	<b>Rounding Difference</b>			4
14				
15	<b>Billed Revenue at Proposed Rates</b>			
16				
17	<b>Calculated Service Revenue</b>			
18	Residential	125,978	38.50	4,850,163
19	Residential - Blythewood	1,126	39.66	44,660
20	Residential - Multi Family	18,418	38.50	709,095
21	Commercial and Industrial	33,558	38.50	1,291,985
22	Commercial and Industrial - Blythewood	3,457	39.66	137,100
23	<b>Total Calculated Service Revenue</b>			7,033,003
24				
25	* Excludes billing adjustments			

Palmetto Utilities, Inc.

Schedule D  
Page 1 of 6

Original Cost and Annual Depreciation at April 30, 2010

Line No.	Account	(1)	(2)		(3)		(4)		(5)	(6)	(7)	Pro-Forma Depr. Exp. (8)
			Original Cost @ 4-30-10		Additions	Retirements						
1	Plant in Service											
2												
3	Collection System											
4												
5	Account 360.2 Collection Sewers - Force											
6	PVC - 4" to 30"	\$	2,664,051	\$	75,094	\$	-	\$	2,739,145	30	3.33%	\$ 91,305
7	DIP - 4" to 30"		123,337		10,373		-		133,710	30	3.33%	4,457
8	Air Release Manholes		7,088		5,147		-		12,235	30	3.33%	408
9	Total Account 360.2		2,794,476		90,615		-		2,885,091			96,170
10												
11	Account 361.2 Collection Sewers - Gravity											
12	PVC - 4" to 30"		19,370,040		140,712		-		19,510,752	45	2.22%	433,572
13	DIP - 8" to 24"		1,529,126		4,574		-		1,533,700	45	2.22%	34,082
14	Manholes		8,520,332		86,799		-		8,607,131	30	3.33%	286,904
15	Total Account 361.2		29,419,497		232,086		-		29,651,583			754,559
16												
17	Account 363.2 Services to Customers											
18	Services		1,674,493		35,338		-		1,709,831	38	2.63%	44,996
19	Elder Valves		1,273,984		29,185		-		1,303,168	38	2.63%	34,294
20	Grease Traps		4,406		8,609		-		13,015	38	2.63%	343
21	Total Account 363.2		2,952,883		73,131		-		3,026,014			79,632
22												
23	Total Collection Plant		35,166,856		395,832		-		35,562,688			930,360
24												
25	Pumping Plant											
26												
27	Account 354.3 Structures and Improvements		3,331,582		2,799		-		3,334,381	32	3.13%	104,199
28	Account 371.3 Pumping Equipment - Fully Accrued		216,422		-		-		216,422	FA	-	-
29	Account 371.3 Pumping Equipment		4,504,920		499,579		(102,965)		4,901,535	18	5.56%	272,307
30												
31	Total Pumping Plant		8,052,925		502,378		(102,965)		8,452,338			376,507
32												
33	Treatment and Disposal Plant											
34												
35	Account 353.4 Land and Land Rights		136,355		-		-		136,355	Nondepreciable		-
36	Account 354.4 Structures and Improvements		1,425,279		8,387		-		1,433,667	32	3.13%	44,802
37	Account 355.4 Power Generating Equipment		364,486		-		-		364,486	20	5.00%	18,224
38	Account 371.4 Pumping Equipment - Fully Accrued		167,410		-		-		167,410	FA	-	-
39	Account 371.4 Pumping Equipment		477,013		-		-		477,013	18	5.56%	26,501
40	Account 380.4 Treat. and Disp. Eq. - Fully Accrued		304,221		-		-		304,221	FA	-	-
41	Account 380.4 Treatment and Disposal Equipment		7,614,004		193,630		(17,053)		7,790,580	18	5.56%	432,810

Palmetto Utilities, Inc.

Schedule D  
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Original Cost and Annual Depreciation at April 30, 2010

Line No.	Account (1)	Original Cost @ 4-30-10 (2)	Pro-forma (4)		Pro-Forma Original cost (5)	Service Life (6)	Annual Depr. Rate (7)	Pro-Forma Depr. Exp. (8)
			Additions (3)	Retirements (4)				
1	Plant in Service							
2								
3	Treatment and Disposal Plant							
4								
5	Account 381.4 Plant Sewers	455,466	-	-	455,466	35	2.86%	13,013
6	Account 382.4 Outfall Sewer Lines	1,658,755	-	-	1,658,755	30	3.33%	55,292
7	Account 389.4 Oth. Plt. & Misc. Eq. - Fully Accrued	270,194	-	-	270,194	FA		-
8	Account 389.4 Other Plant and Miscellaneous Equip.	1,429,729	-	-	1,429,729	18	5.56%	79,429
9								
10	Total Treatment and Disposal Plant	14,302,912	202,017	(17,053)	14,487,876			670,072
11								
12	General Plant							
13								
14	Account 353.7 Land and Land Rights	520,741	-	-	520,741	Nondepreciable		-
15								
16	Account 390.7 Office Furniture and Equipment							
17	Furniture and Equipment	26,792	3,226	-	30,019	15	6.67%	2,001
18	Computers - Fully Accrued	28,799	1,114	-	29,913	FA		-
19	Computers	81,826	877	-	82,703	6	16.67%	13,784
20								
21	Total Account 390.7	137,417	5,218	-	142,635			15,785
22								
23	Account 391.7 Transportation Equipment	27,468	-	-	27,468	6	16.67%	4,578
24	Account 393.7 Tools, Shop and Garage Equipment	108,708	27,585	-	136,293	16	6.25%	8,518
25	Account 394.7 Laboratory Equipment	31,014	1,198	-	32,212	15	6.67%	2,147
26	Account 395.7 Power Operated Equipment	54,917	1,712	-	56,629	12	8.33%	4,719
27	Account 396.7 Communication Equipment	73,918	-	-	73,918	10	10.00%	7,392
28	Account 398.7 Other Tangible Plant	5,513	-	-	5,513	10	10.00%	551
29								
30	Total General Plant	959,697	35,713	-	995,410			43,691
31								
32	Total Plant in Service	58,482,389	1,135,940	(120,018)	59,498,312			2,020,630

Palmetto Utilities, Inc.

Schedule D  
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Original Cost and Annual Depreciation at April 30, 2010

Line No.	Account (1)	Original Cost @ 4-30-10 (2)	Pro-forma (3)		Pro-Forma Original cost (5)	Service Life (6)	Annual Depr. Rate (7)	Pro-Forma Depr. Exp. (8)
			Additions	Retirements				
1	Plant Held For Future Use							
2								
3	Treatment and Disposal Plant							
4								
5	Account 353.4 Land and Land Rights	292,370	-	-	292,370	Nondepreciable		-
6	Account 355.4 Power Generating Equipment	59,208	-	-	59,208	20	5.00%	- *
7	Account 380.4 Treatment and Disposal Equipment	223,263	-	-	223,263	18	5.56%	- *
8								
9	Total Treatment and Disposal Plant	574,840	-	-	574,840			-
10								
11	General Plant							
12								
13	Account 393.7 Tools, Shop and Garage Equipment	14,160	-	-	14,160	16	6.25%	- *
14	Account 398.7 Other Tangible Plant	23,833	-	-	23,833	30	3.33%	- *
15								
16	Total General Plant	37,993	-	-	37,993			-
17								
18	Total Plant Held for Future Use	612,832	-	-	612,832			-
19								
20	Total Plant in Service and Plant Held for Future Use	\$ 59,095,222	\$ 1,135,940	\$ (120,018)	\$ 60,111,144			\$ 2,020,630
21								
22								
23								

\* No depreciation until property is placed in service.

Palmetto Utilities, Inc.

Schedule D  
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Original Cost and Annual Depreciation at April 30, 2010

Line No.	Account (1)	Original Cost @ 4-30-10 (2)		Pro-forma Retirements (4)		Pro-Forma Original cost (5)	Service Life (6)	Annual Depr. Rate (7)	Pro-Forma Depr. Exp. (8)
		Original Cost	Pro-forma Additions (3)	Pro-forma Retirements					
1	CIAC								
2									
3	Collection System								
4									
5	Account 360.2 Collection Sewers - Force								
6	PVC - 4" to 30"	\$ (2,253,973)	\$ (75,094)	\$ -	\$ -	(2,329,068)	30	3.33%	\$ (77,636)
7	DIP - 4" to 30"	(120,840)	(10,373)	-	-	(131,213)	30	3.33%	(4,374)
8	Air Release Manholes	(3,215)	(5,147)	-	-	(8,362)	30	3.33%	(279)
9	Total Account 360.2	(2,378,029)	(90,615)	-	-	(2,468,643)			(82,288)
10									
11	Account 361.2 Collection Sewers - Gravity								
12	PVC - 4" to 30"	(16,222,238)	(138,485)	-	-	(16,360,723)	45	2.22%	(363,572)
13	DIP - 8" to 24"	(1,519,371)	(4,574)	-	-	(1,523,945)	45	2.22%	(33,865)
14	Manholes	(8,122,635)	(86,799)	-	-	(8,209,434)	30	3.33%	(273,648)
15	Total Account 361.2	(25,864,244)	(229,858)	-	-	(26,094,103)			(671,085)
16									
17	Account 363.2 Services to Customers								
18	Services	(1,618,083)	(35,338)	-	-	(1,653,420)	38	2.63%	(43,511)
19	Elder Valves	(1,214,072)	(29,185)	-	-	(1,243,257)	38	2.63%	(32,717)
20	Grease Traps	-	(8,609)	-	-	(8,609)	38	2.63%	(227)
21	Total Account 363.2	(2,832,155)	(73,131)	-	-	(2,905,286)			(76,455)
22									
23	Total Collection Plant	(31,074,428)	(393,604)	-	-	(31,468,032)			(829,828)
24									
25	Pumping Plant								
26									
27	Account 354.3 Structures and Improvements	(3,027,244)	-	-	-	(3,027,244)	32	3.13%	(94,601)
28	Account 371.3 Pumping Equipment - Fully Accrued	(60,281)	-	-	-	(60,281)	FA	-	-
29	Account 371.3 Pumping Equipment	(3,680,322)	(380,629)	80,032	-	(3,980,919)	18	5.56%	(221,162)
30									
31	Total Pumping Plant	(6,767,847)	(380,629)	80,032	-	(7,068,445)			(315,764)
32									
33	Treatment and Disposal Plant								
34									
35	Account 353.4 Land and Land Rights	(60,845)	-	-	-	(60,845)	Nondepreciable	-	-
36	Account 354.4 Structures and Improvements	(766,601)	(8,387)	-	-	(774,988)	32	3.13%	(24,218)
37	Account 355.4 Power Generating Equipment	(190,541)	-	-	-	(190,541)	20	5.00%	(9,527)
38	Account 371.4 Pumping Equipment - Fully Accrued	(30,412)	-	-	-	(30,412)	FA	-	-
39	Account 371.4 Pumping Equipment	(285,056)	-	-	-	(285,056)	18	5.56%	(15,836)
40	Account 380.4 Treat. and Disp. Eq. - Fully Accrued	(44,345)	-	-	-	(44,345)	FA	-	-
41	Account 380.4 Treatment and Disposal Equipment	(4,897,808)	(192,966)	13,348	-	(5,077,426)	18	5.56%	(282,079)

Palmetto Utilities, Inc.

Schedule D  
Page 5 of 6

Original Cost and Annual Depreciation at April 30, 2010

Line No.	Account (1)	Original Cost @ 4-30-10 (2)	Pro-forma (3)		Pro-Forma Original cost (5)	Service Life (6)	Annual Depr. Rate (7)	Pro-Forma Depr. Exp. (8)
			Additions	Retirements				
1	CIAC							
2								
3	Treatment and Disposal Plant							
4								
5	Account 381.4 Plant Sewers	(328,117)	-	-	(328,117)	35	2.86%	(9,375)
6	Account 382.4 Outfall Sewer Lines	(268,739)	-	-	(268,739)	30	3.33%	(8,958)
7	Account 389.4 Oth. Plt. & Misc. Eq. - Fully Accrued	(39,385)	-	-	(39,385)	FA	-	-
8	Account 389.4 Other Plant and Miscellaneous Equip.	(823,056)	-	-	(823,056)	18	5.56%	(45,725)
9								
10	Total Treatment and Disposal Plant	(7,734,907)	(201,353)	13,348	(7,922,912)			(395,719)
11								
12	General Plant							
13								
14	Account 353.7 Land and Land Rights	-	-	-	-	Nondepreciable		-
15								
16	Account 390.7 Office Furniture and Equipment							
17	Furniture and Equipment	-	-	-	-	15	6.67%	-
18	Computers - Fully Accrued	-	-	-	-	FA	-	-
19	Computers	-	-	-	-	6	16.67%	-
20								
21	Total Account 390.7	-	-	-	-			-
22								
23	Account 391.7 Transportation Equipment	-	-	-	-	6	16.67%	-
24	Account 393.7 Tools, Shop and Garage Equipment	-	-	-	-	16	6.25%	-
25	Account 394.7 Laboratory Equipment	-	-	-	-	15	6.67%	-
26	Account 395.7 Power Operated Equipment	-	-	-	-	12	8.33%	-
27	Account 396.7 Communication Equipment	-	-	-	-	10	10.00%	-
28	Account 398.7 Other Tangible Plant	-	-	-	-	10	10.00%	-
29								
30	Total General Plant	-	-	-	-			-
31								
32	Total Plant in Service - CIAC	(45,577,182)	(975,587)	93,380	(46,459,389)			(1,541,311)



Palmetto Utilities, Inc.

Schedule D  
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Original Cost and Annual Depreciation at April 30, 2010

Line No.	Account (1)	Original Cost @ 4-30-10 (2)	Pro-forma (4)		Pro-Forma Original cost (5)	Service Life (6)	Annual Depr. Rate (7)	Pro-Forma Depr. Exp. (8)
			Additions (3)	Retirements (4)				
1	Plant Held For Future Use - CIAC							
2								
3	Treatment and Disposal Plant							
4								
5	Account 353.4 Land and Land Rights	(161,188)	-	-	(161,188)	Nondepreciable		-
6	Account 355.4 Power Generating Equipment	(30,091)	-	-	(30,091)	20	5.00%	-
7	Account 380.4 Treatment and Disposal Equipment	(19,409)	-	-	(19,409)	18	5.56%	-
8								
9	Total Treatment and Disposal Plant	(210,688)	-	-	(210,688)			-
10								
11	General Plant							
12								
13	Account 393.7 Tools, Shop and Garage Equipment	-	-	-	-	16	6.25%	-
14	Account 398.7 Other Tangible Plant	(23,833)	-	23,833	-	30	3.33%	-
15								
16	Total General Plant	(23,833)	-	23,833	-			-
17								
18	Total Plant Held for Future Use - CIAC	(234,521)	-	23,833	(210,688)			-
19								
20	Total Plant in Service and Plant Held for Future Use - CIAC	\$ (45,811,702)	\$ (975,587)	\$ 117,213	\$ (46,670,077)			\$ (1,541,311)
21								
22								
23								

\* No depreciation until property is placed in service.

Palmetto Utilities, Inc

Schedule E  
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Present and Expected Customers

<u>Line</u> <u>No.</u>	<u>Date</u>	<u>No.</u>	<u>ERCs</u>
1	<b>Commercial and Industrial</b>		
2	5/1/2009	332	3119
3	4/30/2010	330	3172
4	4/30/2011	340	3222
5			
6	<b>Residential (including Multi-family)</b>		
7	5/1/2009	10207	11851
8	4/30/2010	11195	12451
9	4/30/2011	11643	13026
10			
11	<b>Total</b>		
12	5/1/2009	10539	14970
13	4/30/2010	11525	15623
14	4/30/2011	11983	16248
15			
16			

BOARD:  
Paul C. Aughtry, III  
Chairman  
Edwin H. Cooper, III  
Vice Chairman  
Steven G. Kisner  
Secretary



C. Earl Hunter, Commissioner

*Promoting and protecting the health of the public and the environment*

BOARD:  
Henry C. Scott  
M. David Mitchell, MD  
Glenn A. McCall  
Coleman F. Buckhouse, MD

Via e-mail

February 22, 2011

Mr. John M.S. Hoefer  
Willoughby & Hoefer, P.A.  
PO Box 8416  
Columbia, SC 29202-8416

RE: Your letter of February 22, 2011  
PSC application: Palmetto Utilities  
Wastewater discharge permits: ND0068411 & SC0043451

Dear Mr. Hoefer:

In the context of a PSC rate case, this letter affirms that this company has the valid DHEC permits to operate this wastewater system.

I can be reached at 803-898-4157 or at [debessjp@dhec.sc.gov](mailto:debessjp@dhec.sc.gov).

Sincerely,

Jeffrey P. deBessonnet, P.E., Director  
Water Facilities Permitting Division

cc: Harry Mathis  
Stan Jones



10/10/2010 10:10:10 AM

10/10/2010 10:10:10 AM

10/10/2010 10:10:10 AM

PALMETTO UTILITIES, INC  
1710 WOODCREEK FARMS ROAD  
ELGIN, SOUTH CAROLINA 29045  
|||

REMOVE SIDE EDGES FIRST  
TO OPEN THIS SIDE - SLIDE FINGER UNDER THIS EDGE

REMOVE THESE EDGES FIRST  
FOLD, CREASE AND TEAR ALONG PERFORATION

REMOVE THESE EDGES FIRST  
FOLD, CREASE AND TEAR ALONG PERFORATION



PLACE STAMP  
HERE  
The Post Office  
will not deliver

REMOVE THESE EDGES FIRST  
FOLD, CREASE AND TEAR ALONG PERFORATION

REMOVE THESE EDGES FIRST  
FOLD, CREASE AND TEAR ALONG PERFORATION

PRESORTED  
FIRST-CLASS MAIL  
US POSTAGE PAID  
ELGIN, SC  
PERMIT #910

Palmetto Utilities, Inc.  
1710 WOODCREEK FARMS ROAD  
ELGIN, SOUTH CAROLINA 29045

225

Palmetto Utilities, Inc.  
Capital Account  
1700 Brook Palms Rd.  
Columbia, SC 29214-0006  
(803) 609-2400

BANK OF AMERICA, NA  
604-445539

7/13/2010

PAY TO THE ORDER OF S.C. Department of Revenue

\$ 35,511.81

Thirty-Five Thousand Five Hundred Eleven and 81/100

DOLLARS

S.C. Dept. of Revenue  
P.O. Box 125  
Columbia, SC 29214-0006

VOID AFTER 90 DAYS

PSC Utility Assessment

225

Palmetto Utilities, Inc.

S.C. Department of Revenue

Date	Type	Reference
6/30/2010	Bill	

Original Amt.  
35,511.81

Balance Due  
35,511.81

7/13/2010

Discount

Check Amount

Payment  
35,511.81  
35,511.81

BoFA Acct 4512 - Capi PSC Utility Assessment

35,511.81

225

Palmetto Utilities, Inc.

S.C. Department of Revenue

Date	Type	Reference
6/30/2010	Bill	

Original Amt.  
35,511.81

Balance Due  
35,511.81

7/13/2010

Discount

Check Amount

Payment  
35,511.81  
35,511.81

BoFA Acct 4512 - Capi PSC Utility Assessment

35,511.81

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State of South Carolina  
Department of Revenue  
301 Gervais Street, P.O. Box 125, Columbia, South Carolina 29214

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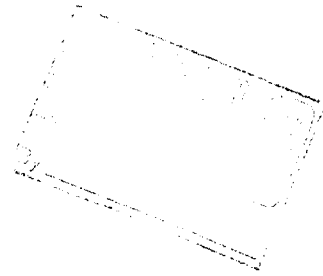
MEMORANDUM

TO: All PSC Utility Tax Accounts

FROM: SC Department of Revenue

SUBJECT: 2010 PSC Utility Tax Assessment Notices

DATE: June 10, 2010



The enclosed assessment is for the Public Services Commission (PSC) Utility Tax for the period covered June 2010. The payment is due by July 15, 2010.

The SC Department of Revenue bills and collects this tax for the SC Public Service Commission. All gross receipts and tax amounts are provided to the Department of Revenue by the Public Service Commission.

If you have any questions about the gross receipt amount or how the tax amount was calculated, you should call Dorothy Marchant at (803) 737-0837. If you have any questions about remitting the amount shown due you may call the Department of Revenue at (803) 896-1970.

Please provide address change information by making the correction on the assessment notice. Please keep one of the assessments for your records and attach your check to the other assessment and return to the Department of Revenue. Make all checks payable to the SC Department of Revenue.

PER Dorothy Marchant. This covers  
PSC expenses for the period June 2010 - May 2011  
(but based on R. receipts through 6/30/10)

State of South Carolina  
Department of Revenue  
301 Gervais Street, P. O. Box 125, Columbia, South Carolina 29214

PSC UTILITY ASSESSMENT

L PDMS LOA PSCUTIL  
PALMETTO UTILITIES INC  
1710 WOODCREEK FARMS ROAD  
ELGIN, SC 29045-8755  
ATTEN.

FILE #  
FEI #  
PERIOD 06/10  
ISSUE DATE 05/02/10  
AMOUNT DUE \$35,511.81  
DUE DATE 07/15/10

Gross Receipts:	\$5,496,963.00	— based on Receipts from 10/10/09
Administration Fee:	\$8,328.72	
Electric:	\$0.00	
Regulated Gas:	\$0.00	
Municipality Gas:	\$0.00	
Telecommunications:	\$0.00	
Railroads:	\$0.00	
Water/Waste:	\$27,183.09	
Transportation:	\$0.00	
Telecommunications LEC:	\$0.00	
Regulatory Staff Fee ORS:	\$0.00	
<b>TOTAL DUE:</b>	<b>\$35,511.81</b>	<b>G/L ACCT. CODE:</b>

Authorized Signature / Title

Phone Number

Date

Please attach your remittance to the enclosed copy of this notice and send it to:

165 a  
SOUTH CAROLINA DEPARTMENT OF REVENUE  
LICENSE TAX OFFICE AUDIT  
(Address Above)

PHONE NUMBER: (803) 896-1970



**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA**

**DOCKETING DEPARTMENT**

**NOTICE OF FILING AND HEARING**

**DOCKET NO. 2011-24-S**

**APPLICATION OF PALMETTO UTILITIES, INC. FOR ADJUSTMENT OF RATES AND CHARGES FOR THE PROVISION OF SEWER SERVICE AND MODIFICATIONS TO CERTAIN TERMS AND CONDITIONS OF THE PROVISION OF ITS SERVICE**

Palmetto Utilities, Inc. (Palmetto or the Company) has filed an Application with the Public Service Commission of South Carolina (the Commission) for an adjustment of the Company's rates and charges for the provision of sewer service and modifications to certain terms and conditions of the provision of its service. Palmetto is a public utility, as defined by S.C. Code Ann. § 58-5-10(3) (Supp. 2010), providing water service to the public for compensation in certain areas of South Carolina pursuant to rates approved by the Commission in Docket No. 1998-653-S.

Pursuant to S.C. Code Ann. § 58-5-240 (Supp. 2010) and 26 S.C. Code Ann. Reg. 103-512.4.A (Supp. 2010), the Company requests that the Commission approve an increase in its monthly water service rates. In support of its request for an adjustment in the Company's water rates, Palmetto asserts, among other things, that the proposed sewer rate increases are necessary in order that it may provide reasonable and adequate service to its customers, allow the Company to recover its incurred costs, comply with environmental regulations, and earn a reasonable return on its investment. The Company also asserts that the proposed sewer rate increases are necessary to preserve its financial integrity and to permit continued investment in and maintenance of its facilities so as to provide reliable and high quality services.

The Company also seeks modifications to certain terms and conditions of its rate schedule including those pertaining to circumstances under which the Company will bill tenants for service, incorporation of the Commission's regulation pertaining to the amount of reconnection fees, and incorporation of the SC DHEC regulation pertaining to single family equivalency ratings.

**THE PROPOSED CHANGES IN THE RATES AND CHARGES ARE SET FORTH BELOW**  
(The complete rate schedule is available from the Company at the address below and on the Commission's website at [www.psc.sc.gov](http://www.psc.sc.gov))

**SEWER**

Monthly Charges	Current	Proposed
Residential monthly charge Per single-family house, condominium, villa, or apartment unit	\$29.50	\$38.50
Commercial – monthly charge	\$29.50 per SFE	\$38.50 per SFE

A copy of the Company's Application can be obtained from the Commission at the following address: Public Service Commission of South Carolina, Docketing Department, P. O. Drawer 11649, Columbia, South Carolina 29211. Additionally, Palmetto's Application is available on the Commission's website at [www.psc.sc.gov](http://www.psc.sc.gov).

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, 101 Executive Center Dr., Columbia, South Carolina on \_\_\_\_\_.

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure, on or before \_\_\_\_\_, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. ***Please refer to Docket No. 2011-24-S.***

Any person who wishes to testify and present evidence at the hearing should notify the Docketing Department, in writing, at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211, and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P.A., Post Office Box 8416, Columbia, South Carolina 29202-8416 on or before \_\_\_\_\_, and indicate the amount of time required for the presentation. ***Please refer to Docket No. 2011-24-S.***

**Any person who wishes to request a hearing in his or her county of residence should notify on or before \_\_\_\_\_**, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211, and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P. A., Post Office Box 8416, Columbia, South Carolina 29202-8416. ***Please refer to Docket No. 2011-24-S.***

Any person who wishes to be notified of any change in the hearing date, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department in writing at the address below on or before \_\_\_\_\_. ***Please refer to Docket No. 2011-24-S.***

**PLEASE TAKE NOTICE:** Any person who wishes to have his or her comments considered as part of the official record of this proceeding MUST present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina  
Attn: Docketing Department  
Post Office Drawer 11649  
Columbia, SC 29211

\_\_\_\_/\_\_\_\_/\_\_\_\_